Rules and Regulations of the State of Georgia

Department 159 DEPARTMENT OF ECONOMIC DEVELOPMENT

Current through Rules and Regulations filed through November 6, 2026

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ADMINISTRATIVE HISTORY

The **Administrative History** following each Rule gives the date on which the Rule was originally filed and its effective date, as well as the date on which any amendment or repeal was filed and its effective date. Principal abbreviations used in the Administrative History are as follows:

f. - filed

eff. - effective

R. - Rule (Abbreviated only at the beginning of the control number)

Ch. - Chapter (Abbreviated only at the beginning of the control number)

ER. - Emergency Rule

Rev. - Revised

Note: Emergency Rules are listed in each Rule's Administrative History by Emergency Rule number, date filed and effective date. The Emergency Rule will be in effect for 120 days or until the effective date of a permanent Rule covering the same subject matter superseding this Emergency Rule is adopted, as specified by the Agency.

Rule chapter 159-1-1 entitled "Film Tax Credit" has been adopted. Filed March 4, 2010; effective March 24, 2010.

Rules 159-1-1-.01 thru 159-1-1-.09 amended. F. May 6, 2013; eff. May 26, 2013.

Chapter 159-2 entitled "State Workforce Development Board" and Chapter 159-2-1 entitled "State Workforce" adopted. F. Nov. 30, 2015; eff. Dec. 20, 2015.

Chapter 159-1-2 entitled "Musical Tax Credit" adopted. F. Nov. 28, 2017; eff. Dec. 18, 2017.

Rules 159-1-1-.02 through 159-1-1-.09 amended. F. Dec. 4, 2017; eff. Dec. 24, 2017.

Rule 159-1-2-.01 amended. F. Mar. 2, 2018; eff. Mar. 22, 2018.

Rules 159-1-1-.02 through 159-1-1-.07 amended. F. Mar. 5, 2018; eff. Mar. 25, 2018.

Chapter 159-2 repealed. F. Oct. 10, 2018; eff. Oct. 30, 2018.

Subject 159-1-1, rules 159-1-1-.01 through .09, amended. F. Dec. 29, 2020; eff. Jan. 18, 2021.

Chapter 159-3 entitled "Global Commerce Division" and Subject 159-3-1 entitled "Competitive Projects of Regional Significance" adopted. F. Mar. 18, 2021; eff. Apr. 7, 2021.

Rules 159-1-1-.02 through 159-1-1-.08 amended. F. June 18, 2021; eff. July 8, 2021.

Subject 159-1-1 amended. F. Dec. 15, 2023; eff. Jan. 4, 2024.

Subject 159-1-1 amended. F. Dec. 5, 2025; eff. Dec. 25, 2025.

Cite as Ga. Comp. R. & Regs. R. dept. 159, ADMINISTRATIVE HISTORY

Chapter 159-1. FILM, MUSIC & DIGITAL ENTERTAINMENT DIVISION.

Subject 159-1-1. FILM TAX CREDIT.

Rule 159-1-1-.01. Available Tax Credits for Film or Interactive Entertainment Productions.

(1) Purpose. This rule provides guidance concerning the application and certification guidelines contained within the Georgia Entertainment Industry Investment Act (hereinafter "Act") under O.C.G.A. § 48-7-40.26. There are two separate credits made available under the Act: the 20% "Base Tax Credit" and the 10% "Georgia Entertainment

Promotion ("GEP") Tax Credit." Each of the two available tax credits requires an independent application and certification.

(2) Coordination of Agencies. The Georgia Department of Economic Development, (hereinafter "GDEcD"), will determine which projects qualify for the base tax credits authorized under the Act; will evaluate and certify marketing opportunities for the GEP Tax Credit; and will certify tax credit applications. The Georgia Department of Revenue (hereinafter "GDOR") is the state agency responsible for determining qualified expenditures and for implementing the proper application of the Film Tax Credits.

(3) Cross-Reference. This rule shall be construed in harmony with the Rules of the Georgia Department of Revenue, Income Tax Division, Chapter 560-7-8, Returns and Collections, Rule 560-7-8-.45, entitled Film Tax Credit, which governs, among other things, the application of financial thresholds and calculations of the tax credits to be allowed.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.01
Authority: O.C.G.A. § 48-7-40.26.
History. Original Rule entitled "Available Tax Credits for Film, Videotape or Digital Media" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
Amended: New title "Available Tax Credits For Film, Video or Interactive Entertainment Production." F. May 6, 2013; eff. May 26, 2013.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: New title, "Available Tax Credits for Film or Interactive Entertainment Productions." F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.02. Definitions.

(1) 'Alternative Marketing Opportunities' means GDEcD approved promotions for the state in lieu of the inclusion of the legislated GEP Logo placement in order to receive the 10% GEP Tax Credit.

(2) 'Applicant' means the Production Company or Qualified Interactive Entertainment Production Company applying to GDEcD for Film Tax Credit certification for a specific Project.

(3) 'Base Certification Letter' means a letter from GDEcD indicating that the initial requirements to earn the "Base Tax Credit" have been met for the specific Project named. The Base Certification Letter shall include a unique credit certificate number, and shall be delivered to the Applicant electronically.

(4) 'Commercial Advertisements' means announcements sponsoring or promoting ideas, goods, entertainment projects, or services that have achieved Multimarket Commercial Distribution and are aired, broadcast, or streamed via video on demand, including over-the-top broadcasting, FAST Channels, subscription video on demand, ad-based video on

demand, and transaction video on demand; individual television stations; groups of stations; networks; cable television stations; or public broadcasting stations.

(5) 'Completed Application' means a submitted application that includes all required information in the form and manner prescribed by GDEcD and as outlined in these Rules. GDEcD will not determine that an Applicant is eligible for certification unless an Applicant has submitted a Completed Application that is deemed complete.

(6) 'Development' means any activity or expenses incurred in order to prepare the Project for the preproduction phase of the Project or production.

(7) "FAST" Channels or Free Ad-Supported Streaming Television means a streaming service that offers free, linear, and on-demand content, supported by advertising instead of a subscription fee, similar to traditional cable or satellite television, but accessible via streaming platforms and devices, including but not limited to Tubi, Pluto TV, Roku Channel, and Freevee.

(8) 'Feature Film' means, but is not limited to, a dramatic, comedic, animated, or documentary film, or high definition digital production with no commercial interruption, and which is intended for Multimarket Commercial Distribution to motion picture theaters, video on demand, direct to DVD, licensing for exhibition by individual television stations, groups of stations, networks, cable television, premium cable, broadcast television, Streaming Services, Paid Subscription Based Platforms, or FAST Channels.

(9) 'Film Tax Credit' means the tax credits allowed pursuant to the Georgia Entertainment Industry Investment Act, O.C.G.A. § 48-7-40.26, as amended.

(a) The 'Base Tax Credit' means the 20% tax credit for Projects that meet the minimum investment threshold in a qualified production, as certified by GDEcD; and

(b) The 'Georgia Entertainment Promotion Tax Credit' ("GEP Tax Credit" or "GEP Uplift") means the additional 10% tax credit which may be obtained for projects as outlined in the Act and Rule 159-1-1-.07.

(10) 'Fully Funded' means that the Applicant seeking certification can demonstrate with documentary evidence that it has assets that equal or exceed 75% of the total budgeted cost of the Project. These assets can be owned by the Applicant, provided by a third-party pursuant to a financing or funding agreement, or a combination of the two. GDEcD requires proof that the Project is Fully Funded at the time the applicant applies for certification. Such proof may include, but is not limited to, SAG, IATSE, or completion bonds, payroll statements, bank statements, financing or funding agreements; but shall not include letters of intent, letters of interest, oral agreements, non-binding agreements or affidavits.

(11) 'Game Engine' means the software system or code used to create and develop an interactive game with core functionality that typically includes rendering 2D or 3D graphics, sound, scripting, animation, artificial intelligence, physics, and input.

(12) 'Game Platform' means the electronic delivery system used to launch or play the interactive game and includes mobile applications.

(13) 'In whole or in part' means at least one day of qualified production activity for the Project occurred in Georgia.

(14) 'Interactive Entertainment' means projects produced by Qualified Interactive Entertainment Production Companies in Georgia and, as defined and approved by GDEcD, that meet all of the following requirements:

(a) Employs electronics including Game Platforms and Game Engines to create an interactive system with which a user can play;

(b) Contains or creates a computer-controlled virtual universe or simulated environment within which an individual using the program may interact to generate visual feedback and achieve a goal within that universe or environment as determined by the player's skill and or luck;

(c) Contains at least three of the following six elements: animated graphical images, static graphic images, sound, text, 2d or 3d geometry, scoring/leaderboard/badges/trophies system;

(d) Are not developed by the Qualified Interactive Entertainment Production Companies for internal use;

(e) Meets the requirement of Multimarket Commercial Distribution via digital platforms.

1. Projects eligible for certification include: game types/categories traditionally found in videogame or retail stores or Internet-based social, casual, serious, and social networking games on mobile, console, computer, smart device and television platforms.

2. Projects not eligible for certification include, but are not limited to the following: Internet sites that do not meet all of the defined requirements of Interactive Entertainment; streamed linear media such as podcasts or audio; interpersonal communications services such as video conferencing, wireless telecommunications, text-based channels, chat rooms, broadcast/streamed viewing enhancements; small-scale games embedded and used exclusively in advertising; and marketing and promotional websites or microsites.

(15) 'Life of the Project' means from the first public screening, release date, or distribution; and continuing through the third tax year following the date on which the final certification for any Project related tax credit was issued.

(16) 'Media Buy' means the process of securing advertising space or time on a media platform or platforms to promote a product, service, or brand.

(17) 'Multimarket Commercial Distribution' means paid commercial distribution with media buys which extend to multiple markets outside the State of Georgia.

(18) 'Music Video' means a filmed or digitally recorded song, often portraying musicians performing the song or including visual images interpreting the lyrics.

(19) 'Paid Subscription Based Platforms' means a digital service or platform where users gain access to content, features, or products by making recurring payments, including but not limited to Netflix, HBO Max, Disney+, Hulu, Apple TV, Peacock, Amazon Prime, and Paramount+.

(20) 'Pilot' means the initial episode produced for a proposed Series.

(21) 'Place-based Media' means content that is accessible by a particular audience based on their location.

(22) 'Preproduction' means the process of preparation for actual physical production in Georgia, and is considered to begin with the establishment of a dedicated commercial production office, the hiring of key crew members including a Unit Production Manager and/or Line Producer, and includes, but is not limited to, activities such as location scouting, hiring of crew, construction of sets, etc. Preproduction does not include the process of 'Development'.

(23) 'Principal Photography' means principal ongoing filming within Georgia of significant portions of a qualified Project that involves the main lead actor(s) and the director and which is intended to be incorporated into the final product. Additional criteria include the presence of members of the first unit production team; or scenes in which lines of dialogue are spoken; and does not include camera tests, the filming of primarily backgrounds or introductory shots, visual effects, action, and/or crowd scenes by the second, stunt, or visual effects unit. In the case of animation projects, it means the time from when the script is finalized and continues through the finalization of animatics.

(24) 'Principal Photography Start Date' means the first date within Georgia of Principal Photography.

(25) 'Production Company' means a company that is primarily engaged in qualified production activities which have been approved by GDEcD.

(26) 'Project' means a single Feature Film, Television Film, Pilot, Interactive Entertainment project, Commercial Advertisement, Music Video, or one season or episode of a Series, as certified by GDEcD.

(27) 'Qualified Interactive Entertainment Production Company' means a company that satisfies the requirements of O.C.G.A. § 48-7-40.26(b)(10) and which is primarily engaged in qualified production activities related to Interactive Entertainment which has been approved by GDEcD. "Primarily engaged" means a company whose gross income from qualified production activities related to Interactive Entertainment Projects which have been approved by GDEcD exceeds 50% of its total gross income for its taxable year or whose expenses from qualified production activities related to Interactive Entertainment Projects which have been approved by GDEcD exceeds 50% of its total expenses for its taxable year.

(28) 'Series,' which may also be known as episodic programming, means a production intended in its initial run for broadcast on video on demand, direct to DVD, licensing for exhibition by individual television stations, groups of stations, networks, cable television, premium cable, broadcast television, Streaming Services, Paid Subscription Based Platforms, or FAST Channels, and which is a series of narrative and/or thematically related episodes with common elements that is either open-ended or a limited narrative..

(29) 'Social Media Platform' is a website or an app that allows users to create and share content, and interact with other users online, often in real time, including but not limited to, Facebook (Meta), Instagram, X, YouTube, Snapchat, Twitch, and TikTok.

(30) 'Streamed' or 'Streaming' means video content sent in compressed form over the Internet and displayed by the viewer in real time.

(31) 'Streaming Service' means an online platform that delivers digital content in real time, where users can watch content instantly, as opposed to following a download.

(32) 'Tax Year' is the twelve-month period used for measuring income and reporting income taxes to the government. Many taxpayers report on a calendar year, which runs from January 1 to December 31, while others report on a fiscal year, which can be any twelve-month period ending on the last day of any month except December 31.

(33) 'Television Film,' which may also be known and referred to herein as a 'Movie of-the-Week,' 'MOW,' 'Made for Television Movie,' 'TV Movie', means a Feature Film intended for broadcast video on demand, direct to DVD, licensing for exhibition by individual television stations, groups of stations, networks, cable television, premium cable, broadcast television, Streaming Services, Paid Subscription Based Platforms, or FAST Channels..

(34) 'Uplift Certification Letter' means a letter from GDEcD electronically certifying that a Project has met the requirements to earn the "GEP Tax Credit" including that the Project achieved multimarket commercial distribution in multiple markets within five years of

the date that the first Base Certification Letter was issued, and that the Applicant has provided proof of the same. The Uplift Certification Letter shall include a unique credit certificate number, and shall be delivered to the Applicant electronically.

(35) 'User-Generated Content' means any form of content, including but not limited to text, images, audio, or video, created and shared on a Social Media Platform by customers, fans or users, rather than by a brand or company itself.

(36) 'Work for Hire" means an arrangement whereby one Production Company contracts with another Production Company to engage in qualified production activities pursuant to a production services agreement. Merely financing or providing funding to a Production Company does not make the financing/funding company the "hiring" company for purposes of the Film Tax Credit. In the instance of co-productions, the Applicant company must provide a written agreement to GDEcD, signed by both production companies, that identifies which party will be entitled to earn and claim the tax credit. In the instance of a work-for-hire, the hired company will not be eligible for the Film Tax Credit.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.02
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History. Original Rule entitled "Definitions" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
Amended: F. May 6, 2013; eff. May 26, 2013.
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Amended: F. Mar. 5, 2018; eff. Mar. 25, 2018.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. June 18, 2021; eff. July 8, 2021.
Amended: F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.03. Film Tax Credit Certification-General.

(1) **State Certified Production.**

(a) Project Certification Requirement. Prior to claiming any Film Tax Credit, each new Feature Film, Pilot, Series, TV Movie, Music Video, Commercial Advertisement or Interactive Entertainment project must be certified by GDEcD as meeting the guidelines and the intent of the Act. Each Applicant must apply for a single Project, and GDEcD will only render a decision on a Completed Application if the Applicant can show the Project is Fully Funded. Certification shall not be used to secure funding. Certification applications for all Projects shall be submitted electronically to GDEcD. Projects eligible to receive the Base Tax Credits are Feature Films, Television Films, Series, Pilots, Commercial Advertisements, Music Videos, and Interactive Entertainment Projects, as defined and approved by GDEcD. Applicants will be required to provide budget information, funding sources, distribution agreements, production schedules, call sheets, personnel information, and any other documentation to supplement its

Completed Application as requested by GDEcD. Only one Production Company may claim the tax credit, per Project.

The maximum total tax credits allowed for Qualified Interactive Entertainment Production Companies is $1.5 million per taxable year for a single company and the maximum total tax credits allowed among all Qualified Interactive Entertainment Production Companies is $12.5 million. The Commissioner of Revenue shall preapprove applications for Interactive Entertainment tax credits based on a first come, first serve basis. GDEcD certification of Interactive Entertainment projects does not guarantee that credits will be available.

(b) Projects Ineligible for Certification. Certain Projects do not qualify for the Film Tax Credit including, but not limited to, the following:

1. Live or prerecorded broadcast of athletic events;
2. Live or prerecorded news or current affairs programming covering news that has recently occurred or is ongoing at the time of the broadcast;
3. Local interview or talk shows or other local interest programming not intended for Multimarket Commercial Distribution;
4. Projects that were not created in whole or in part in Georgia, or Projects that are primarily post-production in nature;
5. Website development;
6. Corporate marketing, industrial, or training productions;
7. Any productions in violation of Title 16 Chapter 12 of the state's Obscenity Statute;
8. Sole platform arcade video games;
9. Small scale games embedded and used exclusively in advertising, marketing and promotional websites or microsites;
10. Infomercials, Infotainment, or Solicitation-based productions;
11. Certain instructional or how-to content and programming, as determined by GDEcD;
12. Political or Editorial-based content programming;
13. Projects that do not meet the requisite base investment requirement;
14. Marketing or political campaigns;

15. Internet sites and digital media projects that do not meet all of the defined requirements of Interactive Entertainment;

16. Interpersonal communications services such as video conferencing, wireless telecommunications, text-based channels, chat rooms, or broadcast/streamed viewing enhancements;

17. Film or television Projects created for a limited audience or Placed Based Media, including, but not limited to museum presentations, convention presentations, digital billboard, or transit systems;

18. Film, interactive entertainment, or other programs intended primarily for industrial, corporate or institutional end-users, including for training purposes;

19. Any Project that does not adhere to industry standards;

20. Any Project where filming is merely incidental or ancillary to the primary purpose of the Project, such as live concerts or events, trade shows or conventions, or video podcasts;

21. Projects not intended for Multimarket Commercial Distribution via theaters, video on demand, direct to DVD, digital platforms designed for the distribution of interactive games, licensing for exhibition by individual television stations, groups of stations, networks, Paid Subscription Based Platforms, FAST Channels, cable television stations, or public broadcasting stations;

22. The creation of phone, tablet or desktop apps that do not meet the defined requirements of Interactive Entertainment; and

23. User-Generated Content distributed exclusively via Social Media Platforms.

(c) Base Certification Letters. After a Completed Application is submitted and reviewed by GDEcD, GDEcD will electronically send Applicants a Base Certification Letter with a project certification number where Projects meet the certification requirements. GDEcD shall use reasonable efforts to make a certification decision on a Completed Application, and, if appropriate, provide the Base Certification Letter to the Applicant within sixty (60) days of the receipt of the Completed Application. If an Applicant does not receive a Base Certification Letter from GDEcD within this sixty (60) day period, and, during that 60-day period, does not receive any electronic communication from GDEcD regarding any necessary supplementation of the Completed Application, the Applicant may

deem its application denied, and begin the appeals process outlined in Rule 159-1-1-.08.

Applicants that voluntarily withdraw Base Tax Credit applications prior to a decision by GDEcD may reapply for the same project in the future. Projects that are denied and fail to appeal within the thirty (30) day timeframe for filing appeals cannot reapply. In the instance of co-productions, the Applicant company must provide a written agreement to GDEcD, signed by both production companies, that identifies which production company will be entitled to earn and claim the film tax credit. In the instance of a work-for-hire, the work-for-hire company is not be eligible for the Film Tax Credit.

If a Feature Film, Pilot, Series, TV Movie, Music Video, or Commercial Advertisement is certified, but does not begin filming within thirty (30) days of the Principal Photography Start Date identified in the Completed Application and does not notify GDEcD of a change in schedule, a retraction of the Base Certification Letter may be issued. Any material changes to the information provided in the Completed Application must be made in writing to GDEcD within thirty (30) days from the date of the material change. Applicants that notify GDEcD in writing of a change in schedule may have their certification retracted, but are permitted to re-apply for certification of the same Project with an updated Completed Application.

(d) GDEcD may charge reasonable fees associated with the certification process, including fees for expediting Completed Application review, or for missed application deadlines. A schedule of fees shall be available on the GDEcD website and may be reviewed by GDEcD annually. All fees shall be transmitted to GDEcD by an online credit card payment, and are non-refundable.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.03
Authority: O.C.G.A. § 48-7-40.26.
History. Original Rule entitled "Film Tax Credit Certification" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
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Amended: F. Mar. 5, 2018; eff. Mar. 25, 2018.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. June 18, 2021; eff. July 8, 2021.
Amended: New title, "Film Tax Credit Certification-General." F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.04. Base Tax Credit Certification Application Process.

(1) For all Feature Film, Series, Pilots, TV Movie, Commercial Advertisement and Music Video Projects to be considered for approval, Production Companies must submit a Completed Application. For Projects with estimated Project budgets under $100 Million,

the Completed Application must be submitted not earlier than one hundred twenty (120) days prior to the Principal Photography Start Date and no later than seven (7) calendar days after the Principal Photography Start Date. For Projects with estimated Project budgets over $100 Million, the Completed Application must be submitted not earlier than one hundred eighty (180) days prior to the Principal Photography Start Date and no later than seven (7) calendar days after the Principal Photography Start Date.

(2) (a) A Completed Application must include:

1. An online application form that has been entirely filled in without blanks or placeholders-such as "TBD", and specifies whether the application is for the Base Tax Credit, the GEP Uplift Tax Credit, or both;

2. Documentary evidence that the Project is Fully Funded;

3. A shooting script (except in the case of unscripted or reality projects), synopsis, or story boards, whichever is applicable;

4. Media buy (for Commercial Advertisements only);

5. Song lyrics (for Music Videos only); and

6. Fees (if applicable).

(b) For Commercial Advertisements only, GDEcD may hold applications open for a period of one (1) year from the date on which the application is submitted in order to allow the Production Company to secure the Media Buy. In this case, no certification decision will be rendered until the application is completed. After one year from the application submission date, the application will expire if a Media Buy has not been provided, and the Applicant will be ineligible to reapply for the Project.

(3) For all Interactive Entertainment Projects, Qualified Interactive Entertainment Production Companies shall first submit an application to the Commissioner of GDOR for preapproval of tax credits. Once GDOR approval is received, and no later than December 31 of the fund year for which GDOR approval was received, Qualified Interactive Entertainment Production Companies must submit a Completed Application to GDEcD.

(a) A Completed Application must include:

1. An online application form that has been entirely filled in without blanks or placeholders-such as "TBD", and specifies whether the application is for the Base Tax Credit, the GEP Uplift Tax Credit, or both;

2. Form IT-QIEPC and the approved Form IT-QIEPC-AP for the current fund year;

3. Documentary evidence that the Project is Fully Funded;

4. A detailed synopsis of the Interactive Entertainment Project, including the architecture, navigation, and story plotlines, as well the proposed scope of work that will be undertaken on the Interactive Entertainment Project during the fund year for which approval was sought;

5. A final staff list, including contact information; and

6. Fees (if applicable).

(b) Interactive Entertainment Projects must apply to GDEcD for certification within the fund year that they are approved by GDOR, regardless of whether the Qualified Interactive Entertainment Production Company had previously sought certification for the same Interactive Entertainment Project in prior fund years. The information included on the Completed Application shall pertain to the work completed or intended to be completed by the Qualified Interactive Entertainment Company on the Interactive Entertainment Project for the fund year in which a certification letter is sought.

(4) Production Companies should strive to complete each Project within a single tax year. However, for a Project that is not completed within a single Tax Year, the Production Company must apply for an annual Base Certification Letter in each successive tax year during which qualified production activities take place. For the avoidance of doubt, a Production Company must apply for and obtain a Base Certification Letter for each Project for each Tax Year in which qualified production activities took place for the Project. Each Project shall not span more than two Tax Years, unless GDEcD provides prior written approval. A Production Company seeking a Base Certification Letter for a second Tax Year must provide proof that qualified production activity was ongoing in the second Tax Year. GDEcD shall not issue additional certification letters for deferred or delinquent payments that carried over from the first Tax Year. This two-Tax Year limitation for each Project shall not apply to animation or Interactive Entertainment Projects. This two-tax year limitation applies to all multi-year entertainment productions that qualify for the Film Tax Credits including, but not limited to, Feature Films, TV Movies, or Series.

(5) Following receipt of a Completed Application, GDEcD may request additional supporting documentation as outlined in Rule 159-1-1-.03(1)(a) to verify Project details. Once GDEcD determines a Project is eligible for certification, GDEcD will electronically provide a Base Certification Letter.

(6) Projects that are not completed within the timeframe provided on the Completed Application, or that are postponed for an extended period, and do not notify GDEcD of the material change in schedule within 30 days may have their Base Certification Letter retracted at GDEcD's sole discretion, subject to permitted fees. Applicants that notify

GDEcD in writing of a change in schedule or other material change to the information provided in the Completed Application within 30 days of such change may have their certification retracted, but are permitted to re-apply for certification of the same Project with an updated Completed Application.

(7) All Feature Film, Series, Pilots, TV Movies, Commercial Advertisements and Music Video Project Applicants that receive the Base Certification Letter are required to submit the following post-application supporting materials:

(a) Within ninety (90) days of the completion of Principal Photography, a Production Company must provide proof that the Project was recorded in whole or in part in Georgia. Such proof shall include the following:

1. Final crew list, including contact information;

2. Final vendor list, including contact information;

3. Final locations list, including a physical address and location contact information;

4. Signed call sheet from the first day of Principal Photography; and

5. Final Shooting Schedule.

(b) Within ninety (90) days following the last qualified Georgia expenditure, the Production Company shall provide a completed Georgia Expenditures Report.

(c) For Film, Series, TV Movies, and Pilot Projects, at least 5 days prior to the Project's release, the Production Company shall provide to GDEcD at least five (5) production still photos, three (3) promotional posters for the Project, and agreed upon alternative marketing materials, if applicable, all with adequate licensing rights to permit GDEcD to use the provided production stills, posters, and/or alternative marketing materials for promotion of the film industry in Georgia.

(8) A Production Company's, or Interactive Entertainment Production Company's, failure to provide any of the above listed post-application supporting materials may result in the retraction of the Base Certification Letter for the Project, subject to payment of any applicable late fees required to maintain certification.

(9) Any misrepresentation or material change of Project information without written notification to GDEcD or GDOR or the submission of project documentation that does not adhere to industry standards may result in denial or revocation of certification.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.04
Authority: O.C.G.A. § 48-7-40.26.
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Amended: F. Dec. 4, 2017; eff. Dec. 24, 2017.
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Amended: New title "Base Tax Credit Certification Application Process." F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. June 18, 2021; eff. July 8, 2021.
Amended: F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.05. Georgia Entertainment Promotion Tax Credit Application Process.

(1) The GEP Tax Credit is available only for Projects specified in Rule 159-1-1-.07 below, where such Projects also comply with the requirements of this Rule 159-1-1-.05, have been approved and certified by GDEcD for the Base Tax Credit, and achieve Multimarket Commercial Distribution within five (5) years from the date that the initial Base Certification Letter was issued.

(2) GEP Tax Credit certification applications must be submitted to GDEcD as part of a Completed Application if the Applicant intends to pursue the GEP Tax Credit. In order to be eligible for the GEP Tax Credit, projects must include the GEP Logo and a link to http://www.georgia.org/film on the Project's promotional website as outlined in O.C.G.A. § 48-7-40.26, starting from any point of initial public screening, distribution, or release. Production Companies must submit proof of compliance with statutory requirements to GDEcD. In lieu of GEP Logo placement and a link to the website, Production Companies may offer Alternative Marketing Opportunities of equal or greater marketing value to the State, subject to GDEcD approval of the selected Alternative Marketing Opportunities. Production Companies must elect whether to include the GEP Logo or pursue the Alternative Marketing Opportunity at the time the Production Company submits a Completed Application for the Project. The GEP Logo and link to the website may not be used in a Project without GDEcD's prior written approval. Projects that are not eligible or approved for the GEP Tax Credit may still be eligible for the Base Tax Credit.

(3) If a Production Company or Qualified Interactive Entertainment Production Company elects to use the GEP Logo placement to satisfy the requirements for the GEP Tax Credit, then the Production Company or Qualified Interactive Entertainment Production Company shall submit to GDEcD digital evidence to verify the appropriate placement of the GEP Logo in the Project not earlier than following the receipt of the Base Certification Letter, and no later than five (5) days before the Project is distributed. If the publicly released version of the Project contains a different and incorrect placement of the GEP Logo other than that which was provided to GDEcD for verification, GDEcD may deny certification of the GEP Tax Credit.

(4) Once the Project has been distributed, the Production Company shall submit the GEP Distribution Form verifying that distribution occurred within five (5) years from the date that the initial Base Certification Letter was issued.

(5) Following GDEcD's verification that the GEP Logo placement is correct or that the Alternative Marketing Opportunities have been fulfilled, and verification that the Project has been distributed, GDEcD will issue the Uplift Certification Letter. If a Production Company seeking the GEP Tax Credit fails to fulfill all of the obligations of the GEP Logo and link, or the selected Alternative Marketing Opportunities, or, if the Production Company fails to provide the GEP Distribution form verifying distribution to GDEcD within five (5) years from the date that the initial Base Certification Letter was issued, the Project shall not be eligible for the GEP Tax Credit. In the case of projects that have Base Certification Letters issued for multiple tax years, the five (5) year period in which the Project must be distributed shall begin from the date of the initial Base Certification Letter for the Project.

(6) For Feature Film, Series, Pilot, TV Movie, Music Video or Interactive Entertainment Projects that opt to include the GEP Logo and a link to http://www.georgia.org/film on the promotional website as outlined in O.C.G.A. § 48-7-40.26, GDEcD will make available various versions of the GEP Logo and the link to each qualified GEP Tax Credit applicant at no charge. GDEcD will only provide the GEP Logo to applicants that GDEcD has certified as being eligible to receive the GEP Tax Credit. Production Companies or Qualified Interactive Entertainment Production Companies may not use the GEP Logo in a Project without prior written GDEcD approval, which shall be provided electronically and in writing. Furthermore, it is required that each qualified GEP Tax Credit applicant utilizing the logo to fulfill the GEP Tax Credit requirements submit proof of the required placement of the GEP Logo in the completed Feature Film, Series, Pilot, TV Movie, Music Video, or Interactive Entertainment Production to GDEcD at least five (5) days prior to the Project's distribution. In the instance of any project distributed via a Streaming Service, the GEP logo shall automatically appear in the end credits in accordance with the requirements outlined in O.C.G.A. § 48-7-40.26 and these rules, and shall not require the viewer to take any action, such as selecting "watch end credits" or some other similar selection, to view the GEP logo as a result of the Streaming platform automatically proceeding to the next episode, preview, or production. In the event that the GEP logo is only viewable if the viewer has to take action to stop the automatic proceeding to the next episode, preview or production, such logo placement shall not serve to meet the eligibility requirements for the GEP Tax Credit.

(7) If the inclusion of the GEP Logo or link to http://www.georgia.org/film is prohibited by the Children's Television Act, or any other local, state or federal government law or policy, or if the Production Company or Qualified Interactive Entertainment Production Company cannot, for any reason, fulfill the placement requirements, GDEcD, under the Alternative Marketing Opportunities, will offer acceptable alternatives to allow the GEP Tax Credit to the applicant and the greatest level of promotion for the State of Georgia. The GEP Logo or agreed upon Alternative Marketing Opportunities must be utilized for the Life of the Project, beginning with the first public screening or initial distribution.

(8) If the GEP Logo or agreed upon Alternative Marketing Opportunities have not been fulfilled prior to the Project's distribution, which in no event shall be later than five (5) years from the date that the first Base Certification Letter was issued, the Project will not

be eligible for the GEP Tax Credit. Both logo requirements and Alternative Marketing Opportunities must be for the Life of the Project, beginning with the first public screening or initial distribution. However, GDEcD's ability to retract certification is limited by the applicable statute of limitations for assessing income tax for any claiming or carryover year, or in the instance of audited productions, by the prohibition on recapturing credits from transferees or purchasers.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.05
Authority: O.C.G.A. § 48-7-40.26.
History. Original Rule entitled "Qualified Productions & Production Activities" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
Amended: F. May 6, 2013; eff. May 26, 2013.
Amended: F. Dec. 4, 2017; eff. Dec. 24, 2017.
Amended: F. Mar. 5, 2018; eff. Mar. 25, 2018.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. June 18, 2021; eff. July 8, 2021.
Amended: New title, "Georgia Entertainment Promotion Tax Credit Application Process." F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.06. Qualified Productions & Production Activities.

(1) The Base Tax Credit is available to all qualified and GDEcD-certified Projects.

(2) Production Companies that act as a conduit to enable other production companies' projects to qualify for the Film Tax Credit that would not otherwise be eligible on their own will not be certified for Film Tax Credits. Work-for-hire service companies, including postproduction houses, catering companies, equipment rental houses, and motion picture laboratories are not eligible to receive the Film Tax Credit, but the Production Companies employing them may include these expenditures as part of their Project expenses.

(3) Qualified Interactive Entertainment Production Companies designing platforms for outside game developers are not eligible for the Film Tax Credit; however, the studio that buys these platforms from a Georgia vendor may claim them as an expense toward the production of an Interactive Entertainment Project.

(4) Expenditures incurred in Georgia for postproduction are qualified only on the portion of the Project that was shot, recorded, or originally created in Georgia. Postproduction of footage shot outside Georgia is not a qualified production expenditure under O.C.G.A. § 48-7-40.26.

(5) Expenditures for the Development phase of projects do not qualify for the Film Tax Credit. Projects must have entered 'Preproduction' in order for expenditures to qualify for the Film Tax Credit.

(6) Qualified Commercial Advertisements are eligible for the Base Tax Credit; however, such Commercial Advertisements are not eligible for the GEP Tax Credit.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.06
Authority: O.C.G.A. § 48-7-40.26.
History. Original Rule entitled "Georgia Entertainment Promotion Tax Credit" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
Amended: F. May 6, 2013; eff. May 26, 2013.
Amended: F. Dec. 4, 2017; eff. Dec. 24, 2017.
Amended: F. Mar. 5, 2018; eff. Mar. 25, 2018.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. June 18, 2021; eff. July 8, 2021.
Note: Correction of administrative typographical error in Rule History only, in July 2021 the original Rule title was cited as "Qualified Productions & Production Activities", error discovered in December 2023 and title corrected to "Georgia Entertainment Promotion Tax Credit" (i.e., as originally f. Mar. 4, 2010; eff. Mar. 24, 2010). Effective January 4, 2024.
Amended: New title, "Qualified Productions & Production Activities." F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.07. Qualified Productions for GEP Tax Credit.

(1) 'Qualified Movie Production' means a Feature Film for which GDEcD granted Film Tax Credit certification. Feature Films must include a shooting script or synopsis, as applicable, for review along with their Base Tax Credit certification application and GEP Tax Credit application. After completion of the Project but no later than five (5) days prior to distribution, a digital copy of the Project containing the five (5) second long GEP Logo before the below the line crew crawl and the address of the promotional website must be sent to GDEcD for review. For the avoidance of doubt, "before the below the line crew crawl" means positioned between the above the line crew crawl and the below the line crew crawl. A GEP Distribution Form showing proof of fulfillment for the GEP Logo or agreed upon Alternative Marketing Opportunities must be provided to GDEcD no later than five (5) years from the date that the first Base Certification Letter was issued, or the Project will not be eligible for the GEP Tax Credit and will not receive the Uplift Certification Letter.

(a) For Feature Films, Production Companies must include an acknowledgement in the end credit roll of the Project recognizing the State of Georgia.

(2) 'Qualified TV Production' means Pilot, Series (in whole or in part), and Television Films, for which GDEcD granted Film Tax Credit certification. Television productions must include a shooting script or synopsis, as applicable, for review with their Base Tax Credit certification application and GEP Tax Credit application. After completion of the Project but no later than five (5) days prior to distribution, a digital copy of the Project containing the required GEP Logo with the address of the promotional website must be sent to GDEcD for review. To qualify for the GEP Tax Credit, the Project must include a five (5) second long Georgia promotional logo in the body of the program(s); to be placed in the

opening title sequence; as a bumper into or out of a commercial break; or in a prominent position in each single episode's end credits with no less than a half screen exposure and not over content. A GEP Distribution Form showing proof of fulfillment for the GEP Logo or agreed upon Alternative Marketing Opportunities must be provided to GDEcD no later than five (5) years from the date that the first Base Certification Letter was issued, or the Project will not be eligible for the GEP Tax Credit and will not receive the Uplift Certification Letter.

(a) For Television Movies, Production Companies must include an acknowledgement in the end credit roll of the Project recognizing the State of Georgia.

(3) 'Qualified Music Video' means a Music Video for which GDEcD granted Film Tax Credit certification. To qualify for the GEP Tax Credit, a minimum of a five (5) second long Georgia logo exposure must occur at the end of the finished Project, and be included in all online promotions. After completion of the Project but no later than five (5) days prior to distribution, a digital copy of the Project containing the required GEP Logo and link must be sent to GDECD for review. Music video producers must provide a song lyric sheet and general outline of the storyboard of the music video along with their Base Tax Credit certification application and GEP Tax Credit application. A GEP Distribution Form showing that Multimarket Commercial Distribution outside the state of Georgia was accomplished and proof of fulfillment for the GEP Logo in the finished Project, as well as in online promotions, or agreed upon Alternative Marketing Opportunities must be provided to GDEcD no later than five (5) years from the date that the first Base Certification Letter was issued, or the Project will not be eligible for the GEP Tax Credit and will not receive the Uplift Certification Letter.

(4) 'Qualified Interactive Entertainment Project' means an Interactive Entertainment Project for which GDEcD has granted Film Tax Credit certification, but does not include Prereleased Games. To qualify for the GEP Tax Credit, Interactive Entertainment Projects must include a total of fifteen (15) seconds of GEP logo exposure in units sold, and up to a three (3) second GEP Logo adjacency in all online promotions. Interactive Entertainment Projects may meet the fifteen (15) second requirement by aggregating up to three (3) separate and distinct displays of the GEP Logo throughout the Interactive Entertainment Project totaling fifteen (15) seconds. Prereleased Games do not qualify for the GEP Tax Credit. Placement of the GEP Logo within an Interactive Entertainment Project must be discussed in advance with GDEcD. Interactive Entertainment Projects must provide a synopsis of the Interactive Entertainment Project including architecture, navigation and story plotlines before the Project can be certified. A GEP Distribution Form showing that Multimarket Commercial Distribution outside the state of Georgia was accomplished and proof of fulfillment for the GEP Logo or agreed upon Alternative Marketing Opportunities must be provided to GDEcD at least five (5) days prior to distribution, but no later than December 31 of the fund year for which certification was sought, or the Project will not be eligible for the GEP Tax Credit.

(5) GDEcD will have sole authority for the certification of any Project; the denial of certification for any Project; the denial of certification of the GEP Tax Credit; the agreed

upon type, style, length and placement of the GEP Logo, and the settlement of all disputes regarding the GEP Tax Credit.

(6) GDEcD will make every effort to negotiate in good faith with applicants as it relates to the GEP Logo placement or Alternative Marketing Opportunities at all times in order to provide the greatest level of promotion, economic impact, and jobs creation for the state of Georgia.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.07
Authority: O.C.G.A. § 48-7-40.26.
History. Original Rule entitled "Qualified Productions" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
Amended: New title "Qualified Productions for GEP Tax Credit." F. May 6, 2013; eff. May 26, 2013.
Amended: F. Dec. 4, 2017; eff. Dec. 24, 2017.
Amended: F. Mar. 5, 2018; eff. Mar. 25, 2018.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. June 18, 2021; eff. July 8, 2021.
Amended: F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.08. Appeals Process.

(1) If the authorized applicant's Completed Application is denied by GDEcD, a certification letter is retracted by GDEcD, or if GDEcD fails to provide the applicant with a certification decision within the sixty (60) day period following submission of a Completed Application, the applicant shall have the right to appeal the denial, retraction, or failure of certification. Incomplete Film Tax Credit applications or Film Tax Credit applications that have been voluntarily withdrawn by the applicant prior to a decision from GDEcD are not eligible to appeal. An Applicant may appeal by sending a letter along with supporting documentation outlining applicant's argument as to why the denial, retraction, or failure to certify was improper, to the General Counsel, Georgia Department of Economic Development, 75 Fifth Street, NW, Suite 1200, Atlanta, Georgia 30308, within thirty (30) days from the date of issuance of the Film Tax Credit certification denial or retraction letter by GDEcD, or within ninety (90) days from the submission of a Completed Application from which no certification decision was issued. Failure to request an appeal within thirty (30) days or ninety (90) days, as applicable, will finalize the denial decision on the Film Tax Credit, and Applicant may not reapply for the same Project.

(2) Upon receipt of a timely letter of appeal, the General Counsel will address the merits of the Film Tax Credit appeal and the nature of the dispute with the Commissioner of GDEcD, who will make the final decision. GDEcD shall issue a final opinion and order on the appeal within sixty (60) days of receipt of a timely appeal.

(3) Any further appeals of the Film Tax Credit certification decision must be made before the Office of State Administrative Hearings. In the event an applicant pursues further appeal of the Base Tax Credit decision to the Office of State Administrative Hearings or other

applicable court of competent jurisdiction, and GDEcD prevails on such an appeal, then applicant will be responsible for the payment of any fees and costs charged by the Office of State Administrative Hearings or other applicable court of competent jurisdiction in connection with the appeal.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.08
Authority: O.C.G.A. § 48-7-40.26.
History. Original Rule entitled "Appeals Process" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
Amended: F. May 6, 2013; eff. May 26, 2013.
Amended: F. Dec. 4, 2017; eff. Dec. 24, 2017.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. June 18, 2021; eff. July 8, 2021.
Amended: F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Rule 159-1-1-.09. Effective Date.

This regulation as amended shall become effective on January 1, 2026, and shall apply to projects certified on or after such date.

Cite as Ga. Comp. R. & Regs. R. 159-1-1-.09
Authority: O.C.G.A. § 48-7-40.26.
History. Original Rule entitled "Effective Date" adopted. F. Mar. 4, 2010; eff. Mar. 24, 2010.
Amended: F. May 6, 2013; eff. May 26, 2013.
Amended: F. Dec. 4, 2017; eff. Dec. 24, 2017.
Amended: F. Dec. 29, 2020; eff. Jan. 18, 2021.
Amended: F. Dec. 15, 2023; eff. Jan. 4, 2024.
Amended: F. Dec. 5, 2025; eff. Dec. 25, 2025.

Subject 159-1-2. MUSICAL TAX CREDIT.

Rule 159-1-2-.01. Musical Tax Credit.

(1) **Purpose.** This regulation provides guidance concerning the implementation and administration of the tax credit under O.C.G.A. § 48-7-40.33.

(2) **Coordination of Agencies.** The Department of Economic Development is the state agency responsible for certifying which projects qualify for the tax credit under O.C.G.A. § 48-7-40.33. The Georgia Department of Revenue is the state agency responsible for administering tax credits earned under O.C.G.A. § 48-7-40.33.

(3) **Cross-Reference.** These regulations shall be construed in harmony with the regulations of the Georgia Department of Revenue, Income Tax Division, Chapter 560-7-8, Returns and Collections, Rule 560-7-8-.61, titled Musical Tax Credit.

(4) **Definitions.**

(a) As used in this regulation, the terms "musical or theatrical performance","production company","qualified production activities","qualified production expenditures","recorded musical performance","resident","spending threshold","state certified production", and "total aggregate payroll" shall have the same meaning as in O.C.G.A. § 48-7-40.33.

(b) The term "Certification Letter" means that letter issued by the Department of Economic Development certifying that a musical or theatrical performance or recorded musical performance qualifies as a state certified production.

(c) The term "Music Composition" means a single, uninterrupted, continuous song, instrumental, or musical score. The term "Music Composition" shall not include a series of songs compiled into an album.

(d) The term "Musical Tax Credit" shall refer to O.C.G.A. § 48-7-40.33.

(e) The terms "Originates" and "Developed" mean that for a musical or theatrical performance, substantially all of the qualified production activities and qualified production expenditures incurred to prepare a musical or theatrical performance seeking certification under the Musical Tax Credit to make a public performance or a series of performances before a paying live audience were undertaken in this State.

(f) The term "Pre-Certification Letter" means that letter issued by the Department of Economic Development providing a pre-certification that a musical or theatrical performance or recorded musical performance has satisfied the criteria and may apply for preapproval with the Department of Revenue.

(g) The term "Production Site" means as follows:

1. With respect to a musical or theatrical performance, the site or sites where the production is developed, prepared, planned, rehearsed, or performed.

2. With respect to a recorded musical performance, the site or sites where the production is prepared, planned, or recorded.

(h) The term "Project" means a musical or theatrical performance or recorded musical performance seeking to qualify as a state certified production.

(i) The term "Series of Performances" shall mean and refer to a musical or theatrical performance at multiple locations or venues by the same artist or artists over the course of a 12 month or longer period.

(5) **Qualified Production Expenditures.** A production company may only claim qualified production expenditures on direct account of a qualified production activity. In

determining whether a production expenditure is on direct account of a qualified production activity, the Department of Economic Development will consider these regulations and Rule 560-7-8-.61 adopted by the Department of Revenue, as well as the proximity of the expenditure to the activity and the causal relationship between the expenditure and the activity. Production expenditures that do not occur at the production site must satisfy the requirements of Rule 560-7-8-.61 adopted by the Department of Revenue in order to be qualified production expenditures. Any qualified production expenditures for which a production company claims the tax credit under O.C.G.A. § 48-7-40.26 are not eligible for the musical tax credit under O.C.G.A. § 48-7-40.33 and this regulation.

(6) **Credit Amount.** A production company that meets or exceeds $500,000 in qualified production expenditures in a taxable year for a musical or theatrical performance; or $250,000 in qualified production expenditures in a taxable year for a recorded musical performance which is incorporated into or synchronized with a movie, television, or interactive entertainment production; or $100,000 in qualified production expenditures in a taxable year for any other recorded musical performance, as provided in O.C.G.A. § 48-7-40.33 and this regulation, shall be allowed a tax credit of 15 percent of the qualified production expenditures; and an additional 5 percent shall be allowed for qualified production expenditures incurred in a tier 1 or tier 2 county as designated by the Commissioner of Community Affairs under O.C.G.A. § 48-7-40.

(7) **Credit Cap for Production Companies and Affiliates.** In no event shall the aggregate amount of tax credits allowed under O.C.G.A § 48-7-40.33 for production companies and their affiliates which are production companies exceed the following amounts:

(a) For taxable years beginning on or after January 1, 2018 and before January 1, 2019, the aggregate amount of tax credits allowed under O.C.G.A. § 48-7-40.33 for production companies shall not exceed $5 million. The maximum credit amount allowed for any production company and its affiliates which are production companies shall not exceed 20 percent of the aggregate amount of tax credits available for such taxable year;

(b) For taxable years beginning on or after January 1, 2019 and before January 1, 2020, the aggregate amount of tax credits allowed under O.C.G.A. § 48-7-40.33 for production companies shall not exceed $10 million. The maximum credit amount allowed for any production company and its affiliates which are production companies shall not exceed 20 percent of the aggregate amount of tax credits available for such taxable year;

(c) For taxable years beginning on or after January 1, 2020 and before January 1, 2023, the aggregate amount of tax credits allowed under O.C.G.A. § 48-7-40.33 for production companies shall not exceed $15 million per taxable year. The maximum credit amount allowed for any production company and its affiliates which are production companies shall not exceed 20 percent of the aggregate amount of tax credits available for such taxable years; and

(d) The musical tax credit shall not be available for taxable years beginning on or after January 1, 2023.

(8) **Pre-Certification.** Before seeking preapproval from the Department of Revenue, the production company must apply for pre-certification from the Department of Economic Development to ensure that the planned project will satisfy the requirements of the Musical Tax Credit.

(a) Pre-Certification Application. Each new project to be a state certified production under the Musical Tax Credit must first apply for Pre-Certification with the Department of Economic Development. The production company must submit a fully completed Pre-Certification Application. Projects are pre-certified on a project-by-project basis. Production Companies may be asked to provide budget information, funding sources, production and/or touring schedules, personal information, and any other information the Department of Economic Development requires in order to ensure that the project qualifies for pre-certification. Additionally, projects seeking to qualify for the additional 5% credit on qualified expenditures incurred in a county designated as tier 1 or tier 2 by the commissioner of community affairs pursuant to O.C.G.A. § 48-7-40, must provide a budget estimate of the qualified expenditures which will be incurred in tier 1 or tier 2 counties. Only one production company may apply for a project. In the event of co-productions, both companies must provide a written and signed agreement to the Department of Economic Development as to which party will be applying for the Musical Tax Credit. Pre-Certification Applications shall not be submitted to the Department of Economic Development until such time that the project is fully funded and may not be submitted any earlier than January 1 of the calendar year in which the Project is scheduled to occur. Pre-certification letters may not be used to secure funding. Pre-Certification Applications shall be sent to taxcredit@georgia.org and shall be reviewed in the order in which they are received.

(b) Pre-Certification Letter. Projects that meet the requirements for pre-certification will be issued a pre-certification letter which will enable the production company to apply for preapproval with the Department of Revenue for the Musical Tax Credit. A musical or theatrical performance or a recorded musical performance that meets the applicable spending threshold are eligible for pre-certification. The Department of Economic Development shall use reasonable efforts to make a pre-certification decision within thirty (30) days from the submission of the pre-certification application. In the event that the Department of Economic Development does not issue a pre-certification letter within thirty (30) days of the submission of the pre-certification application, the production company may consider its pre-certification application denied and the production company may begin the appeals process outlined in these regulations.

(c) Projects Not Eligible for Pre-Certification. Certain categories of projects do not qualify for the Musical Tax Credit. Such ineligible projects include, but are not limited to:

1. Musical or theatrical performances that are not intended for touring;

2. Musical or cultural festivals that are not intended for touring;

3. Industry seminars, trade shows, or markets;

4. Award shows;

5. Concert series occurring at the same venue with different artists or performers;

6. Musical or theatrical performances that do not have the initial public performance before a live audience in this State with ticket sales to the general public;

7. Musical or theatrical performances that do not either (i) prepare and rehearse a minimum of seven days within this State; or (ii) engage in a series of performances of a project which originates and is developed within this State.

8. Recorded musical performances which are comprised of more than a single musical composition;

9. Any projects in violation of Title 16 Chapter 12 of the State's Obscenity Statute; and

10. Any other projects that do not comply with the Musical Tax Credit, these regulations or the Georgia Department of Revenue Rule 560-7-8-.61.

(9) **Preapproval.** Upon receipt of a pre-certification letter from the Department of Economic Development, a production company may apply for preapproval with the Georgia Department of Revenue. In applying for preapproval with the Georgia Department of Revenue, a production company must adhere to Rule 560-7-8-.61, titled Musical Tax Credit. A production company must also include the pre-certification letter from the Department of Economic Development and any other forms or documents required by the Department of Revenue. Applications for preapproval are administered on a first-come, first-served basis and are subject to the annual credit cap for the corresponding taxable year. Accordingly, receipt of a pre-certification letter from the Department of Economic Development does not guarantee that the production company will qualify for preapproval of any or all of the amount of tax credit sought.

(10) **Certification.** Once the production company has obtained a pre-certification letter from the Department of Economic Development, preapproval from the Department of Revenue, and has fully completed the project, it must apply for certification from the Department of Economic Development to verify that the completed project satisfied the applicable requirements of the Musical Tax Credit. Projects that have not received both a pre-certification letter from the Department of Economic Development and preapproval from the Department of Revenue may not apply for certification. Projects that are not completed may also not apply for certification.

(a) Certification Application. The production company must apply for certification once the project is completed. The certification process will ensure that a finished project that was pre-certified met the applicable requirements of the Musical Tax Credit and is eligible to be a state certified production. With the fully completed certification application, the production company must submit budget information, funding sources, production and or touring schedules, personal information, and any other information the Department of Economic Development requires in order to ensure that the project is eligible to be a state certified production. Additionally, projects seeking the additional 5% credit on qualified expenditures incurred in a county designated as tier 1 or tier 2 by the commissioner of community affairs pursuant to O.C.G.A. § 48-7-40, must provide evidence demonstrating the amount of qualified expenditures which were incurred in tier 1 or tier 2 counties. Only one production company may apply for a project. In the event of co-productions, both companies must provide a written and signed agreement to the Department of Economic Development as to which party will be applying for the Musical Tax Credit. Certification Applications shall not be submitted to the Department of Economic Development until such time that the project is fully completed. Certification Applications shall be sent to taxcredit@georgia.org and shall be reviewed in the order in which they are received.

(b) Certification Letter. Completed projects that meet the requirements for certification will be issued a certification letter. Projects must apply for certification within sixty (60) days from the date that the project is completed. The Department of Economic Development shall use reasonable efforts to make a certification decision within thirty (30) days from the submission of the certification application. In the event that the Department of Economic Development does not issue a certification letter within thirty (30) days of the submission of the certification application, the production company may consider its certification application denied and the production company may begin the appeals process outlined in these regulations.

(11) **Appeal Process.**

a. Pre-Certification Appeals. If an applicant's pre-certification application is denied by the Department of Economic Development or if the Department of Economic Development fails to provide the applicant with a pre-certification letter within the

thirty (30) day period, the applicant shall have the right to appeal. In the case of a disapproval of a pre-certification application, an appeal may be made by sending a pre-certification appeal letter to the General Counsel, Georgia Department of Economic Development, 75 Fifth Street, NW, Suite 1200, Atlanta, Georgia 30308, within thirty (30) days from the date of issuance of the denial letter by the Department of Economic Development. In the case where the Department of Economic Development does not issue a denial letter within thirty (30) days from the submission of the pre-certification application, applicants must submit an appeal within sixty (60) days from the date of submission of the pre-certification application. Failure to request an appeal within the applicable period will finalize the denial decision and reapplications will not be accepted. Upon receipt of a timely pre-certification appeal letter, the General Counsel will address the merits of the pre-certification appeal and the nature of the dispute with the Commissioner of the Department of Economic Development, who will make the final decision. The Department of Economic Development shall issue a final opinion and order on the appeal within sixty (60) days of a timely appeal.

b. Conditional Pre-Certification Letter. In the event that an applicant timely appeals the denial of a pre-certification application, the Department of Economic Development will issue a conditional pre-certification letter to the applicant. The conditional pre-certification letter will enable the applicant to apply for preapproval with the Department of Revenue during the pre-certification appeals process. The conditional pre-certification letter will be retracted in the event that the Department of Economic Development denies the applicant's pre-certification appeal. In the event that the applicant's pre-certification appeal is granted, the Department of Economic Development will issue a non-conditional pre-certification letter.

c. Certification Appeals. If an applicant's certification application is denied by the Department of Economic Development or if the Department of Economic Development fails to provide the applicant with a certification letter within the thirty (30) day period, the applicant shall have the right to appeal. In the case of a disapproval of a certification application, an appeal may be made by sending a certification appeal letter to the General Counsel, Georgia Department of Economic Development, 75 Fifth Street, NW, Suite 1200, Atlanta, Georgia 30308, within thirty (30) days from the date of issuance of the denial letter by the Department of Economic Development. In the case where the Department of Economic Development does not issue a denial letter within thirty (30) days from the submission of the certification application, applicants must submit an appeal within sixty (60) days from the date of submission of the certification application. Failure to request an appeal within the applicable period will finalize the denial decision and reapplications will not be accepted. Upon receipt of a timely certification appeal letter, the General Counsel will address the merits of the certification appeal and the nature of the dispute with the Commissioner of the Department of Economic Development, who will make the final decision. The

Department of Economic Development shall issue a final opinion and order on the appeal within sixty (60) days of a timely appeal.

(12) **Effective Date.** This regulation shall be applicable to taxable years beginning on or after January 1, 2018.

Cite as Ga. Comp. R. & Regs. R. 159-1-2-.01
Authority: O.C.G.A. § 48-7-40.33.
History. Original Rule entitled "Musical Tax Credit" adopted. F. Nov. 28, 2017; eff. Dec. 18, 2017.
Amended: F. Mar. 2, 2018; eff. Mar. 22, 2018.

Chapter 159-2. Repealed.

Cite as Ga. Comp. R. & Regs. R. dept. 159, ch. 159-2

Subject 159-2-1. Repealed.

Cite as Ga. Comp. R. & Regs. R. dept. 159, ch. 159-2, sub. 159-2-1

Rule 159-2-1-.01. Repealed.

Cite as Ga. Comp. R. & Regs. R. 159-2-1-.01
Authority: O.C.G.A. § 34-14-1.
History. Original Rule entitled "Definitions" adopted. F. Nov. 30, 2015; eff. Dec. 20, 2015.
Repealed: F. Oct. 10, 2018; eff. Oct. 30, 2018.

Rule 159-2-1-.02. Repealed.

Cite as Ga. Comp. R. & Regs. R. 159-2-1-.02
Authority: O.C.G.A. § 34-14-1.
History. Original Rule entitled "State Workforce Development Board" adopted. F. Nov. 30, 2015; eff. Dec. 20, 2015.
Repealed: F. Oct. 10, 2018; eff. Oct. 30, 2018.

Rule 159-2-1-.03. Repealed.

Cite as Ga. Comp. R. & Regs. R. 159-2-1-.03
Authority: O.C.G.A. § 34-14-1.
History. Original Rule entitled "Chief Local Elected Official" adopted. F. Nov. 30, 2015; eff. Dec. 20, 2015.
Repealed: F. Oct. 10, 2018; eff. Oct. 30, 2018.

Rule 159-2-1-.04. Repealed.

Cite as Ga. Comp. R. & Regs. R. 159-2-1-.04
Authority: O.C.G.A. § 34-14-1.
History. Original Rule entitled "Local Elected Official Board" adopted. F. Nov. 30, 2015; eff. Dec. 20, 2015.
Repealed: F. Oct. 10, 2018; eff. Oct. 30, 2018.

Rule 159-2-1-.05. Repealed.

Cite as Ga. Comp. R. & Regs. R. 159-2-1-.05
Authority: O.C.G.A. § 34-14-1.
History. Original Rule entitled "Local Workforce Development Board" adopted. F. Nov. 30, 2015; eff. Dec. 20, 2015.
Repealed: F. Oct. 10, 2018; eff. Oct. 30, 2018.

Rule 159-2-1-.06. Repealed.

Cite as Ga. Comp. R. & Regs. R. 159-2-1-.06
Authority: O.C.G.A. § 34-14-1.
History. Original Rule entitled "Conflict of Interest & Code of Conduct Policy" adopted. F. Nov. 30, 2015; eff. Dec. 20, 2015.
Repealed: F. Oct. 10, 2018; eff. Oct. 30, 2018.

Chapter 159-3. GLOBAL COMMERCE DIVISION.

Subject 159-3-1. COMPETITIVE PROJECTS OF REGIONAL SIGNIFICANCE.

Rule 159-3-1-.01. Sales and Use Tax Exemption for Competitive Projects of Regional Significance.

(1) **Purpose.** This rule provides guidance concerning the eligibility criteria for the sales and use tax exemption on construction materials for competitive projects of regional significance under O.C.G.A. § 48-8-3(93).

(2) Cross-Reference. This rule shall be construed in harmony with the Rules of the Georgia Department of Revenue, Sales and Use Tax Division, Chapter 560-12-2, Substantive Rules and Regulations, Rule 560-12-2-.20, entitled Competitive Projects of Regional Significance.

Cite as Ga. Comp. R. & Regs. R. 159-3-1-.01
Authority: O.C.G.A. § 48-8-3(93)(D).
History. Original Rule entitled "Sales and Use Tax Exemption for Competitive Projects of Regional Significance" adopted. F. Mar. 18, 2021; eff. Apr. 7, 2021.

Rule 159-3-1-.02. Definitions.

(1) 'Business Enterprise' means any business or the headquarters of any such business which is engaged in manufacturing, including, but not limited to, the manufacturing of alternative energy products for use in solar, wind, battery, bioenergy, biofuel, and electric vehicle enterprises, warehousing and distribution, processing, telecommunications, broadcasting, research and development industries, biomedical manufacturing, and services for the elderly and persons with disabilities. Such term shall not include retail businesses.

(2) 'Competitive Project of Regional Significance' means the location or expansion of some or all of a Business Enterprise's operations in this state where the Commissioner of Economic Development determines that the project would have a significant regional impact.

Cite as Ga. Comp. R. & Regs. R. 159-3-1-.02
Authority: O.C.G.A. § 48-8-3(93)(D).
History. Original Rule entitled "Definitions" adopted. F. Mar. 18, 2021; eff. Apr. 7, 2021.

Rule 159-3-1-.03. Eligible Projects.

(1) Every project certified must be a 'competitive project,' which requires that:

(a) The project considered for this exemption would otherwise locate outside of the state of Georgia without this incentive; and

(b) The taxpayer provides a letter attesting to the competitiveness of the project.

(2) The project must be 'regionally significant.' A determination of regional significance will be made by the Commissioner of Economic Development and be based on factors including but not limited to:

(a) The projects geographic location within the State of Georgia;

(b) The number of jobs created by the project;

(c) The amount of private investment created by the project;

(d) The average wage of the jobs created by the project;

(e) The Commissioner's determination that the project would have a significant regional impact; and

(f) Any other factors considered important by the Commissioner.

(3) The following development types shall not be eligible for the exemption provided for in O.C.G.A. § 48-8-3(93):

(a) Commercial developments;

(b) Retail developments;

(c) Residential developments;

(d) Speculative industrial developments.

Cite as Ga. Comp. R. & Regs. R. 159-3-1-.03
Authority: O.C.G.A. § 48-8-3(93)(D).
History. Original Rule entitled "Eligible Projects" adopted. F. Mar. 18, 2021; eff. Apr. 7, 2021.

Rule 159-3-1-.04. Effective Date.

This chapter shall be applicable to taxable years beginning on or after January 1, 2021.

Cite as Ga. Comp. R. & Regs. R. 159-3-1-.04
Authority: O.C.G.A. § 48-8-3(93)(D).
History. Original Rule entitled "Effective Date" adopted. F. Mar. 18, 2021; eff. Apr. 7, 2021.